



PSC NEWS

Missouri Public Service Commission

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MISSOURI GAS ENERGY INFRASTRUCTURE SYSTEM REPLACEMENT SURCHARGE TO GO INTO EFFECT

Jefferson City (February 27, 2004)---Missouri Gas Energy will begin applying an infrastructure system replacement surcharge (ISRS) on the monthly natural gas bills of its customers effective April 1, 2004. The surcharge will be separately identified on the monthly bill's of MGE customers as "ISRS". The surcharge is separate from the natural gas rate case Missouri Gas Energy currently has before the Public Service Commission.

This surcharge was authorized under state legislation enacted in 2003 (HB 208). Under the law, Missouri Gas Energy can establish an infrastructure system replacement surcharge which would allow the Company to recover costs for infrastructure system replacements and relocations that are eligible for ISRS recognition under state law. When a filing seeking to establish an ISRS is made, the Commission must determine if the request for the surcharge complies with the law. If the request complies with the law, the surcharge is allowed to take effect.

Residential customers of Missouri Gas Energy will pay an ISRS surcharge of 47 cents a month. This surcharge will remain in effect until the current natural gas rate case is decided. The natural gas rate case must be decided by October of 2004.

Missouri Gas Energy serves approximately 502,600 natural gas customers in western Missouri.

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